GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:1465
ANSWERED ON:27.11.2002
ILD SERVICES BY MTNL AND BSNL
PUTTASWAMY GOWDA;VILAS BABURAO MUTTEMWAR

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) have sought permission to operate ILD services instead routing all their outgoing ISD calls through VSNL;

(b) if so, whether some private operators are allowed to carry incoming ILD calls and terminating them at BSNL and MTNL networks;

(c) if so, whether Government have examined the requests made by BSNL and MTNL and with what decision;

(d) whether the VSNL has started giving cheaper rates for using international long distance calls to BSNL and MTNL;

(e) if so, the details thereof; and

(f) if not, the reaction taken by the Union Government to shift their ILD call business to other companies offering cheaper rates to BSNL and MTNL?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRIMATI S MAHAJAN)

(a) Yes Sir.

(b) Yes Sir.

(c) Yes Sir. Matter is under consideration.

(d) to (f) Interconnection and sharing of revenue is a matter of mutual agreement between two operators within the frame work of regulations of Telecom Regulatory Authority of India. The salient feature of agreements of VSNL with BSNL and MTNL is enclosed as Annexure-I and Annexure-II respectively.

ANNEXURE-I

SALIENT FEATURES OF REVENUE SHARING AGREEMENT BETWEEN BHARAT SANCHAR NIGAM LIMITED AND VIDES SANCHAR NIGAM LIMITED.

1. Payment for carriage and termination of outgoing International Subscriber Dialing calls.

(i) Bharat Sanchar Nigam Limited shall pay to International Long Distance Operator for carriage and termination of International Subscriber Dialing calls originated in India and terminated outside India using International Long Distance Operator's International Long distance network at following rates.

International Subscriber Dialing calls terminated in	Per minute rate
USA/Canada/Europe/UK	Rs. 6.00
Africa/Middle East	Rs. 14.00
Rest of World	Rs. 9.00

(ii) At a later date, if tariffs are revised downward by International Long Distance Operator unilaterally, Bharat Sanchar Nigam Limited shall retain minimum per minute charges as below:

International Subscriber retention Dialing calls terminated in Nigam Ltd.	Minimum per minute by Bharat Sanchar
USA/Canada/Europe/UK	Rs.17.00
Africa/Middle East	Rs. 9.00
Rest of World	Rs. 14.00

In case International Long Distance Operator offerslower rates for carriage and termination of International Subscriber Dialing calls originated in India and terminated outside India to anyother Basic Service Operator/Cellular Mobile Service Provider, National Long Distance Operator or InternationalLong Distance Operator, the same shall apply to Bharat Sanchar Nigam Limited retrospectively from the date of applicability of such lower rates to any other service provider mentioned above under the same terms and conditions as may have been offered to other such service providers.

International Long Distance Operatorshall pick up the traffic from the Points of Interconnection at Gateway Tandem Automatic Exchanges designated by Bharat Sanchar Nigam Limited which shall be the nearest Level-1 Trunk Automatic Exchange located in the same circle to the International Long Distance Operator gateway.

2. Payment for Carriage and Termination of Incoming International Subscriber Dialing calls

For incoming International calls, International Long Distance Operator shall pay to Bharat Sanchar Nigam Limited a per minutecharge for carriage and termination as per the details given below:-

Distance (in Kms) From Bharat Sanchar Nigam Limited's designated Level-1 Trunk Automatic Exchange	Total charge Rs. Per minute (oooo hrs 2400 hrs)
0-50	4.40
>50-200	6.40
>200-500	8.80
>500	13.00

Note-1:

a) For calls in the Short Distance Charging Areain which gateway of International Long Distance Operator is located, the charges payable by International Long Distance Operator to Bharat Sanchar Nigam Limited shall be Rs. 4.40 per minute.

b) For calls terminating at any place outside the Short Distance Charging Area in which gateway of International Long Distance Operator is located, the charges as per above table shall apply.

c) There shall not be any peak or off peak rates. The above rates shall apply for all 24 hours of the day for all days of the year.

d) The charges are independent of originating point for calls.

e) The applicable unit (pulse rate) for measurement of said minutes shall be 1 second.

Note-2: For existing traffic, the chargeable distance shall be with reference to the international gateway switch of International Long Distance Operator from where Bharat Sanchar Nigam Limited is picking up the traffic for further carriageand delivery into domestic network.

3. Volume Discount:

Incoming Traffic: The volume discount at the rate of 30% on incoming traffic meant for Bharat Sanchar Nigam Limitedwill be allowed where such traffic is more than 90 million minutes in a month. The volume discount for the relevant month will not be applicable in case such incoming traffic does not exceed 90 million minutes in any month. The total volume discount of 30% shall be applied on billed amount for the incoming traffic in any month when traffic exceeds 90 million paid minute after excluding the transit traffic meant for other networks.

ANNEXURE-II

SALIENT FEATURES OF REVENUE SHARING AGREEMENT BETWEEN MAHANAGAR TELEPHONE NIGAM LIMITED AND VIDESH SANCHAR NIGAM LIMITED.

1. Payment for carriage and termination of outgoing ISD calls.

(i) Mahanagar Telephone Nigam Limited shall pay to International Long Distance Operator for carriage and termination of International Subscriber Dialing calls originated in India and terminated outside India using International Long Distance Operator's International Long distance network at following rates:-

International Subscriber Dialing calls terminated in	Per minute rate
USA/Canada/Europe/UK	Rs. 6.00
Africa/Middle East	Rs. 14.00
Rest of World	Rs. 9.00

(ii) At a later date, if tariffs are revised downward by International Long Distance Operator unilaterally, Mahanagar Telephone Nigam Limited shall retain minimum per minute charges as below:

International Subscriber Dialing calls terminated in	Minimum per minute retention by Mahanagar Telephone Nigam Limited
USA/Canada/Europe/UK	Rs.17.00
Africa/Middle East	Rs. 9.00
Rest of World	Rs. 14.00

In case International Long Distance Operator offers lower rates for carriage and termination of International Subscriber Dialing calls originated in India and terminated outside India to any other Basic Service Operator/Cellular Mobile Service Provider, National Long Distance Operator or International Long Distance Operator, the same shall apply to Mahanagar Telephone Nigam Limited retrospectively from the date of applicability of such lower rates to any other service provider mentioned above under the same terms and conditions as may have been offered to other such service providers.

International Long Distance Operator shall pick up the traffic from the Points of Interconnection at Gateway Trunk Automatic Exchanges designated by Mahanagar Telephone Nigam Limited.

II. Payment for Carriage and Termination of Incoming International Subscriber Dialing calls

For incoming International calls, International Long Distance Operator shall pay to Mahanagar Telephone Nigam Limited a per minute charge for carriage and termination as per the details given below:-

	Total charge Rs. Per minute (oooo hrs 2400 hrs)
Mahanagar Telephone Nigam Limited Delhi & Mumbai	4.40

Note-1:

a) There shall not be any peak or off peak rates. The above rates shall apply for all 24 hours of the day for all days of the year.

b) The charges are independent of originating point for calls.

c) The applicable unit (pulse rate) for measurement of said minutes shall be 1 second.

III. Minimum monthly guaranteed incoming Calls. International Long distance Operator shall guarantee Mahanagar Telephone Nigam Limited 20 million minutes per month incoming terminating international traffic on send or pay basis.

3. Volume Discount:

Incoming Traffic: The above carriage and termination rates are fixed for incoming traffic into for Mahanagar Telephone Nigam Limited network of 30 million minutes per month. In case of incoming traffic higher than 30 million minutes in any month, the following discount shall apply and be given to International Long Distance Operator:-

Total incoming traffic Volume discount (%) on net in million minutes per additional traffic

month	
Upto 30 million	Nil
>30-40 million	5%
>40-50 million	10%
>50-60 million	15%
>60 million	20%

Note: The volume discount shall not exceed in any case 10% of the gross revenue receipt of Mahanagar Telephone Nigam Limited from International Long Distance Operator for incoming traffic.